



OFFICE OF THE FINANCIAL ADVISER AND CHIEF ACCOUNTS  
OFFICER (TRAFFIC),  
FA&CAO'S OFFICE, LEKHA BHAVAN,  
SOUTH CENTRAL RAILWAY, SECUNDERABAD - 500 071

No. A/TAC/B.2023-24/26

Date: 06.10.2023

Sr.DCM/ BZA


Sub: Part-I Audit Inspection Report of Nidadavolu/Coaching done  
during July-2023

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Extracts of Para Nos 01 to 09 of the above report are enclosed.  
Please arrange to examine the facts brought out by Audit and furnish  
specific remarks at the earliest.

Please furnish copies of documents/Vouchers in support of  
remarks furnished. Audit is insisting for documentary evidence for  
closure of paras.

Encl. As above

  
(K.RAM BHAROSE)  
Sr.AFA/T  
for FA&CAO/T/SC

## **Part-I Inspection Report on the audit of office of the Coaching Station, Nidadavolu**

### **PART-I- (Introduction)**

The audit of office of the Coaching Station, Nidadavolu was conducted from 18/07/2023 to 21/07/2023 by the following members of field audit party of office of the PDA, South Central Railway, Secunderabad.

<b>Name</b>	<b>Designation</b>	<b>Member from</b>	<b>Member till</b>
VENUGOPAL BONBON	Senior Auditor	18/07/2023	21/07/2023
RAVINDRANATH TAGORE CHALASANI	Assistant Audit Officer	18/07/2023	21/07/2023

The audit was supervised by the following officers.

<b>Name</b>	<b>Designation</b>	<b>Effective from</b>	<b>Effective to</b>
B RAVINDRA KUMAR	Senior Audit Officer	18/07/2023	21/07/2023

### **PART-II**

#### ***(Audit Findings)***

#### **PART-II-(A)**

#### **(Significant Audit Findings)**

#### **PART-II-(B)**

#### **(Other incidental Audit Findings)**

#### **Para No.01: (OBS-822277)**

#### **Sub: Non-payment of License Fee.**

The license for operation of Multipurpose Stall Unit No. SG1MPS029 on PF No. 2 & 3 and Multipurpose Stall Unit No. SG1MPS030 on PF No. 1 at Nidadavolu Railway Station was awarded to M/s M. Jesina – Erode (Letter of Acceptance dated 28.04.2022) by the Railway Administration for a period of five years from 29.06.2022 to 28.06.2027.

The License Fee (LF) for operation of Multipurpose Stall Unit on PF No. 2 & 3 was Rs. 1,11,999 per annum for first three years, Rs. 1,23,199 for fourth year and Rs. 1,35,519 for fifth year. Similarly, LF for operation of Multipurpose Stall Unit on PF No. 1 was Rs. 1,34,226 per annum for first three years, Rs. 1,47,649 for fourth year and Rs. 1,62,414 for fifth year.

As per Para No. 4.2 (d) of the agreement, the annual LF shall be payable in advance for each year fifteen (15) days prior to the commencement of each year of the license period. As such, the contractor has to pay 2<sup>nd</sup> year LF of Rs. 1,11,999 & Rs. 1,34,226 for both the above Multipurpose Stall Units for the period from 29.06.2023 to 28.06.2024 before 14.06.2023. The delay in payment of LF shall attract interest @ 18% per annum calculated for the number of days of delay.

However, as of now (21.07.2023), the contractor has not paid the LF for both the above Multipurpose Stall Units towards 2<sup>nd</sup> LF.

Reasons for non-realization LF before 14.06.2023 may be furnished. Further, necessary action may be taken to realize the License Fee of Rs. 2,46,225 (Rs. Rs. 1,11,999 + Rs. 1,34,226) including penal charges of Rs. 4,615 as on 21.07.2023 (@18% per annum for 36 days) from the contractor and realization particulars intimated to Audit.

**CBSR/NDD reply:** The matter will be informed to higher authorities.

**Further remarks of Audit:** Realization particulars may be intimated.

**Para No.02: OBS-821779**

**Sub: Penal charges for delay in payment of License fee.**

An agreement was entered by Railway Administration with Smt. K. Saleena for running of catering stall on Platform No.s 2 & 3 at Nidadavolu station vide Agreement No. B/C.79/Catg/SG1 SMU022/NDD/PF 2 & 3.

In this regard, the contractor has paid the License Fee (LF) for four years. The fifth year LF of Rs. 2,08,999 for the period from 06.06.2023 to 05.06.2023 was due on 22.05.2023. However, the contractor has paid the LF on 14.06.2023 with a delay of 23 days.

As per Item No. 4.3 of Master License Agreement executed between Smt. K. Saleena and the Railways for the aforesaid catering stall, delay in payment of LF shall attract interest @ 18% per annum calculated for the number of days of delay.

Therefore, an amount of Rs. 2,392 towards penal charges for 23 days' delay was to paid by the contractor for delay in payment of LF.

Necessary action may be taken in realize the penal charges of Rs. 2,393 from the contractor and recovery particulars intimated to Audit.

**CBSR/NDD reply:** The matter will be informed to higher authorities.

**Further remarks of Audit:** Recovery particulars may be intimated.

**Para No.03: (OBS-781812)**

**Sub: Non-collection of auto fee.**

Extant orders prescribe collection of cab/auto fee (for every six month's period) from the owners of cab/autos for parking their vehicles in the circulating area of the station premises.

Thirty-Six autos were parked in the circulating area of Nidadavolu station. Auto fee @ Rs. 1,770 for six month's period (01.04.2023 to 30.09.2023) from the owners of thirty-five autos was collected by the commercial staff.

One auto owner (Sri B. Ramesh, Auto No. AP377G 1483) has not paid the auto fee for the above period as of now (19.07.2023).

Necessary action may be taken to realize the auto fee of Rs. 1,770 from the above auto owner for the above period and recovery particulars intimated to Audit.

**CBSR/NDD reply:** Will be realized and recovery particulars intimated.

**Further remarks of Audit:** Recovery particulars may be intimated.

**Para No.04: (OBS-7803400)**

**Sub: Non-rectification/revalidation of defective Smart Cards.**

At Booking Offices, Smart Cards are being issued to the facilitators/general public for sale of tickets through Automated Ticket Vending Machines (ATVMs) and they are being recharged at the booking counters.

Review of Smart Cards available at Booking Office/Nidadavolu revealed that the following defective Smart Cards are found/kept at Booking Office/Nidadavolu without being rectified/revalidated.

Sl. No.	Defective Smart Card No.
1	SC 0117159
2	SC 0117182
3	SC 0117158
4	SC 0117178
5	SC 0117183
6	SC 0117194
7	SC 0117156
8	SC 0117154

Necessary action may be taken either to rectify/revalidate the above defective Smart Cards or disposed as per the procedure in vogue and Audit advised.

**CBSR/NDD reply:** Rectification/revalidation of the defective smart cards will be done in due course. Otherwise, these cards will be disposed of as per the procedure in vogue.

**Further remarks of Audit:** Final outcome may be advised.

**Para No.05: (OBS-780457)**

**Sub: Non-receipt of acknowledged copies of Voucher Remittance Notes.**

During the check of records at Booking Office/Nidadavolu it was observed that the acknowledged copies of the Voucher Remittance (VR) Notes from 01.05.2023 have not been received from Accounts Office as on date (18.07.2023). VR Notes details for the month of May 2023 are as follows:

Sl. No	VR Note No.	Date	Amount (Rs.)	Sl. No	VR Note No.	Date	Amount (Rs.)
1	011394	01.05.23	19635	17	016210	17.05.23	18170
2	011395	02.05.23	14995	18	016211	18.05.23	19320
3	011396	03.05.23	4470	19	016212	19.05.23	20595
4	011397	04.05.23	8695	20	016213	20.05.23	24245
5	011398	05.05.23	2310	21	016214	21.05.23	26065
6	011399	06.05.23	1445	22	016215	22.05.23	35625
7	011400	07.05.23	2515	23	016216	23.05.23	18420
8	016201	08.05.23	20035	24	016217	24.05.23	20480
9	016202	09.05.23	19845	25	016218	25.05.23	11565
10	016203	10.05.23	40295	26	016219	26.05.23	5545
11	016204	11.05.23	17630	27	016220	27.05.23	2280

12	016205	12.05.23	12730	28	016221	28.05.23	7485
13	016206	13.05.23	6225	29	016222	29.05.23	4815
14	016207	14.05.23	17560	30	016223	30.05.23	4000
15	016208	15.05.23	31980	31	016224	31.05.23	6015
16	016209	16.05.23	6700				

In addition to the above, the acknowledgement copies of VR Notes for the month of June 2023 was also not received. Preparation of Balance Sheet for the months of May 2023 & June 2023 without obtaining the acknowledged copies of VR Notes from Accounts Office is not in order.

Necessary action may be taken to get the acknowledged copies of the above months including the acknowledged copies of the subsequent VR Notes from Accounts Office and Audit intimated.

**CBSR/NDD reply:** Will be obtained.

**Further remarks of Audit:** Final outcome may be intimated.

**Para No.06: (OBS-782127)**

**Sub: Non-receipt of Advices of Internal Check.**

Advice of Internal Check copies to be received from Accounts Office was not made available by the commercial staff of Booking Office/Nidadavolu from January 2023 onwards for Audit scrutiny.

On an enquiry it was stated that Advice of Internal Check copies were not received from Account Office. Non-availability/receipt of these copies is contravention to the codal provisions and a procedural lapse. There might be a chance of omissions of Accounts Office Debits.

Necessary action may be taken to obtain the Advice of Internal Check copies from Traffic Accounts Office from January 2023 onwards and Audit advised.

**CBSR/NDD reply:** Will be obtained.

**Further remarks of Audit:** Final outcome may be advised.

**Para No.07: (OBS-782195)**

**Sub: Non-receipt of acknowledgement copies of Cash Remittance Notes.**

During the check of records at Booking Office, Nidadavolu it was observed that the acknowledgements copies in respect of the following Cash Remittance (CR) Notes have not been received from Cash Office.

Sl. No.	CR Note No.	Date	Amount (Rs.)
01)	091669	21.06.2023	110264
02)	091670	22.06.2023	167322
03)	091671	23.06.2023	182126
04)	091672	26.06.2023	137926

05)	091673	26.06.2023	162793
06)	091674	26.06.2023	91560
07)	091675	27.06.2023	157098
08)	091676	28.06.2023	137366
09)	091677	30.06.2023	153717
10)	091678	30.06.2023	116738

Necessary action may be taken to get the acknowledgements copies of the above CR Notes from Cash Office and Audit intimated.

**CBSR/NDD reply:** Will be obtained.

**Further remarks of Audit:** Final outcome may be intimated.

**Para No.08: (OBS-784546)**

**Sub: Check of Money Value Book Register.**

During the check of Money Value (MV) Book Register maintained at Nidadavolu station it was observed that the following MV stock were available without utilization:

Sl. No	Particulars	From	To	Number (s)	Remarks
01)	EFT (Local)	915851	915900	01	25 foils missing in the book
02)	ATVM Ticket Roll	10311501	10312000	01	Roll was defective
03)	Brahmanagudem (BMGM) Halt Station Tickets	Rajahmundry - 3 Bhimadolu - 17 Vijayawada -		28	Brahmanagudem Halt Station was surrendered. Hence, tickets from this station was of no use.
04)	Old ATVM Rolls (Forbes Company)			61	Rolls are not suitable to the new ATVM

At present, the above MV stock are of no use at Nidadavolu station. Hence the same may be disposed suitably to avoid unnecessary accountal/custody under intimation to Audit.

**CBSR/NDD reply:** Recalled indent was already prepared and sent to Divisional Office After receiving instructions, the same will be disposed suitably.

**Further remarks of Audit:** Final outcome may be intimated.

**Para No.09: (OBS-821744)**

**Sub: Avoidable payment of monthly rental charges.**

To promote cashless transactions, Railway Board decided to install Point of Sale (POS) machines at various locations across Indian Railways to allow cashless transactions using Debit/Credit Cards (Vide Commercial Circular 69 of 2016 of Railway Board).

Based on Railway Board's decision, SCR Railway Administration has procured and installed POS machines at various locations across the Zone viz., PRS and UTS terminals, Parcel Offices, Goods Sheds, Remote location PRS Centers duly paying monthly rental charges.

Accordingly, 03 POS machines were installed at Booking Office/Nidadavolu from 2018 onwards. The utilization of these POS machines were reviewed by Audit and found that POS transactions at Nidadavolu station were negligible/used rarely.

Hence, in the opinion of Audit, Railway Administration was incurring avoidable expenditure towards rental charges for the negligible/rarely used POS machines installed at Nidadavolu station from 2018 onwards.

Your remarks may be offered.

**CBSR/NDD reply:** Efforts will be made to increase POS transactions. However, the issue will be intimated to Divisional Office.

**Further remarks of Audit:** Final outcome may be intimated.

**PART-III**

*(Follow up on findings outstanding of previous Inspection Reports)*

NIL

**Sd/-**  
**Senior Audit Officer/TAI(Hqrs)**